

Washington, D.C. – To ensure necessary funding to protect our troops abroad and quality treatment of military members and their families at home, Congressman Joe Sestak (PA-07) voted for, and the House passed by a 392-39 margin, the Fiscal Year 2009 Defense Authorization bill. This legislation addresses equipment shortfalls, improves benefits, including salaries for servicemen and women, and contains requirements that focus greater resources on the war in Afghanistan. In addition, the Act contains eight amendments introduced by the Congressman that include measures to enhance the capabilities of our armed forces by ensuring that our military has the most effective rotorcraft and to assist military families, specifically addressing the lack of funding available to those with autistic children. —

“With this bill’s passage, we have taken action in response to the critical needs of our military and recognized our obligation to service members and their families,” said Congressman Sestak, who as a member of the House Armed Services Committee took part in this bipartisan effort. “As two examples, we have provided resources beyond the President’s request for our Army National Guard units that, on average, possess only 63 percent of their required equipment, and have instituted a 3.9 percent pay increase for all service members, 0.5 percent higher than the President’s request.”

To enhance these measures, the Congressman has included eight amendments, one of which increases support for military families with autistic children, resulting in a significant improvement for care of the more than 8,500 children from these families who have autism. The Congressman’s amendment replaces the monthly cap of \$2,500 per month for autism services under the ECHO (Extended Care Health Option) program with an annual maximum of \$36,000, a monthly increase of 20 percent. In addition, the amendment contains a demonstration project to identify needs of military families and a provision for a report from the Secretary of Defense on the feasibility of establishing one or more autism support centers.

“Autism is the fastest-growing development disability in the United States and this funding should be just one important step in increasing coverage received by autistic children across the nation,” said Congressman Sestak “A recent estimate by the Congressional Budget Office shows only 700 autistic children are enrolled in ECHO because of long waits and limited coverage and the current coverage under the military’s program allows only \$2,500 per month, which translates into only five hours of therapy per week while studies show these children should receive considerably more.”

Additional provisions included by Congressman Sestak address:

- Study to Assess Safety Performance of TACAIR vs. Rotorcraft

This amendment calls for the Secretary of Defense and the Chairman of the Joint Chiefs of Staff to conduct a study evaluating the performances of rotorcraft and Tactical Aircraft. The results will be reported to the Armed Services Committee and Defense Appropriations Subcommittee in both the House and Senate to shed light on the recent success of Tactical Aircraft and the increasing rate of mishaps for rotorcraft. This study is necessary as the Department of Defense rotorcraft mishap rate rose 115 percent (from 1.38 accidents per 100,000 flight hours to 2.97/100,000) from the period of Fiscal Years 1998-2001 to the three-year stretch from FY 2002 to 2005. Tactical Aircraft mishaps of this kind were only 1.3 per 100,000 flight hours in 2005 compared to 3.3/100,000 for rotary-wing vehicles.

The study will help produce an understanding of the reasons for the problems experienced by DOD rotorcraft by identifying, in detail, their actual combat loss rates from 1965 to the present; distinguishing the causal factors for combat and non-combat related rotorcraft losses and placing these in a ranked list; and proposing solutions and funding to mitigate each of the factors. Those responsible for the study must also examine how, through aircraft maintenance, logistics, operations, and pilot and operator training, TACAIR has managed to have significantly fewer losses than rotorcraft.

- Strategy for Rotorcraft

This amendment requires the Secretary of Defense and the Chairman of the Join Chiefs of Staff to properly consider the level and types of investment in rotorcraft needed to meet pressing national security needs. The Global War on Terror has placed a great reliance on rotorcraft and the Capabilities-Based Assessment (CBA) compelled by this amendment lays out the Defense Department's strategy for the next generation of vertical lift aircraft and rotorcraft.

To accomplish this goal, the CBA will formally create a vision for future rotorcraft; establish requirements that vertical lift/rotorcraft technology must meet and a roadmap to attain them; emphasize the development of common service requirements; detail a science and technology investment and implementation plan and the resources required to execute it; and put together a Joint Vertical Life Aircraft/Rotorcraft Office based on lessons learned from the Joint Advanced Strike Technology Office.

- Defense Market Research

This provision directs the Secretary of Defense to report to the House and Senate Armed Services Committee a report, no later than October 1, 2009, identifying action the Secretary has taken to ensure robust market research is performed to expand commercial options that will help to reduce costs for the Department in its procurement process. It directs the Secretary to examine a statistically reflective sample of contracts or task and delivery orders, in excess of \$5 million, for the acquisition of a mission critical or a complex military system where software is a component or subcomponent.

This further addresses an amendment that the Congressman added into last year's National Defense Authorization Act, which stipulated that market research be conducted when awarding contracts larger than \$5 million. This legislation further monitors adherence to that amendment.

- Defense Market Research – Commercial Software Specification

This amendment requires that when developing an acquisition strategy and making engineering design decisions, contracting officials should capitalize on commercially available computer software before developing new software. This essentially reinforces the importance of contracting officials examining the use of commercial items, mature technologies, or other readily available items when evaluating defense procurement proposals. It enforces existing acquisition regulations that prescribe the use of commercial off-the-shelf items and will align resources and contracting practices to advance technological development of unique capabilities and eliminate reinvention.

The result will be shortening of the acquisition cycle for defense programs and accordingly, quicker time to deployment of capabilities to the warfighter. These changes will also build a more effective acquisition system that delivers better equipment and technology to the warfighter and better value for the American taxpayer.

- Review of Earned Value Management System

The Earned Value Management (EVM) is a management control tool for managers of acquisition programs and projects that uses an integrated management system to coordinate scope of work, planned schedule, and cost goals and objectively measures progress towards the goals. The Government Accounting Office (GAO) and other oversight organizations continue to identify issues with the Department of Defense implementation of EVM systems in its large acquisition programs. Also last July, the Undersecretary of Defense for Acquisition, Technology, and Logistics acknowledged issues with the level of acceptance and use of EVM as evidenced by the “number of major defense programs experiencing execution problems.”

This legislation requires the Secretary of Defense to submit within 180 days of approval to the U.S. Senate Committee on Armed Services and the U.S. House of Representatives Committee on Armed Services a report that contains a study which should: include a clear independent assessment of current EVM program lapses, including a review of the methodology, accuracy of data, training, and IT systems used to develop EVM data; include an independent audit of the accuracy of the data provided by vendors to the Government of all ACAT I and selected ACAT II programs; identify recommendations for improving the EVM program, to include alternatives to the EVM program; and contain a set of performance measures to gauge the EVM program's success at delivering program objectives.

- National Defense Sealift Fund

As part of its action on the FY1993 defense budget, Congress created the National Defense Sealift Fund (NDSF) — a revolving fund in the DOD budget for the procurement, operation, and maintenance of DOD-owned sealift ships — and transferred procurement of new military sealift ships and certain Navy auxiliary ships from the Shipbuilding and Conversion, Navy (SCN) appropriation account, where they traditionally had been procured, to the NDSF. Since the NDSF is outside the procurement title of the defense appropriation act, sealift ships procured since 1993, including DOD's new Large, Medium-Speed, Roll-on/Roll-off (LMSR) ships, as well as Navy Lewis and Clark (TAKE-1) dry cargo ships procured since FY2003, have not been subject to the full funding policy as traditionally applied to DOD procurement programs.

This amendment would require new-construction ships acquired through the National Defense Sealift Fund) to conform to the full funding policy in the same way as must ships, planes, and other end items procured under the procurement title of the DOD appropriations act. This provision would, for purposes of applying the full funding policy, treat new-construction ships acquired through the NDSF as if they were procured through the Shipbuilding and Conversion, Navy (SCN) appropriation account.

- Defense Security Services Annual Report Regarding the National Industrial Security Program

Executive Order 12829 established a National Industrial Security Program (NISP) to safeguard Federal Government classified information that is released to contractors, licensees, and grantees of the United States Government. A manual titled the "National Industrial Security Program Operating Manual (NISPOM)," provides baseline standards for the protection of classified information released or disclosed to industry in connection with classified contracts under the NISP. In April 2008, the Government Accountability Office issued a report that highlighted the Defense Security Service (DSS) failures in oversight of the NISP. They found that the DSS did not systematically collect and analyze the information needed to assess its oversight of both contractor facilities and contractors under Foreign Ownership, Control or Influence (FOCI). The GAO also concluded that continued weaknesses in this and other areas that require rigorous oversight—such as export control, foreign acquisitions of U.S. companies, and foreign military sales— resulted in GAO designation of the protection of critical technologies as "high risk".

This amendment would ensure additional oversight of the NISP and would require a further analysis of trends in the National Industrial Security Program, including an assessment of the number and types of errors found in compliance within the Program, an analysis of the details of companies that have committed violations of the Program and the frequency of the violations, including the number of companies that have committed recurring violations, and a description of the corrective actions, if any, taken by the Defense Security Service to address the violations.

Supporting our Troops

Among the provisions included to enhance our military's readiness, the bill deals with equipment shortages for the Army and Marine Corp by authorizing \$8.6 billion to address the Army's equipment reset requirements in FY 2009, and \$1.8 billion to address the equipment reset needs of the Marine Corps. An additional \$800 million beyond the President's request is authorized for high-priority equipment for the National Guard and Reserve. Moreover, this legislation protects troops in combat by authorizing \$1.7 billion for additional Mine Resistant Ambush Protected vehicles and \$2.2 billion for combating Improvised Explosive Devices.

To continue efforts to identify equipment needs, the Act requires two reports designed to improve the readiness of the military: a GAO analysis of the current state of readiness, including what shortfalls exist and how they can be resolved; and one focusing on the efforts of the Navy and Air Force to prepare their sailors and airmen for ground combat duty.

In addition to a 3.9 percent salary increase, the Act takes a number of steps to improve the quality of life for military families. The bill prohibits fee increases in TRICARE and the TRICARE pharmacy program and establishes a series of Preventive Health Care Projects that focus on reducing the need for care. Furthermore, it authorizes 3.2 billion to support and expand quality housing for all service members and their families, and \$35 million for Impact Aid to help local educational agencies providing support to our military children.

Focusing on the War in Afghanistan

The Act requires the Defense Department to submit a report on the command and control structure for military forces operating in Afghanistan to better coordinate military operations, achieve unity of command whenever possible, and develop information regarding rules of engagement. In addition, it stipulates that the President develop and implement a performance monitoring system for U.S.-led Provincial Reconstruction Teams (PRTs) in Afghanistan.

Iraq Policy Provisions

The Act increase the responsibility of the Iraqi government for their citizens, authorizing \$1 billion, half of the President's request, for training and support of the Iraqi Security Forces and prohibiting any of those funds from being used on infrastructure. Additionally, the bill prohibits the establishment of permanent bases in Iraq and requires a strategy to ensure that U.S.-led Provincial Reconstruction Teams (PRTs) are supporting the strategic goals of the coalition and to measures of effectiveness to in meeting work plans. Critically, it requires the Defense Department to clearly break out its Iraq-related budget items in each future budget request.

Contractor Reform and Improving Accountability

Finally, the legislation includes provisions to clean up federal contracting and increase taxpayer protection. It ensures reimbursement contracts are used appropriately, links award fees with contractor performance, prevents abuse of interagency contracts, and establishing a database of information on contractors who violate the law or use bad business practices.

Born and raised in Delaware County, former 3-star Admiral Joe Sestak served in the Navy for 31 years and now serves as the Representative from the 7th District of Pennsylvania. He led a series of operational commands at sea, including Commander of an aircraft carrier battle group of 30 U.S. and allied ships with over 15,000 sailors and 100 aircraft that conducted operations in Afghanistan and Iraq. After 9/11, Joe was the first Director of "Deep Blue," the Navy's anti-terrorism unit that established strategic and operations policies for the "Global War on Terrorism." He served as President Clinton's Director for Defense Policy at the National Security Council in the White House, and holds a Ph.D. in Political Economy and Government from Harvard University. According to the office of the House Historian, Joe is the highest-ranking former military officer ever elected to the Congress.

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